

BEFORE THE  
POSTAL RATE COMMISSION

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POSTAL RATE AND FEE CHANGES, 1997

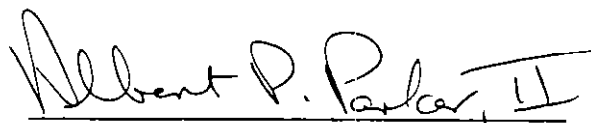
POSTAL RATE COMMISSION  
OFFICE OF THE SECRETARY  
DOCKET NO. R97-1

**FIFTH SET OF INTERROGATORIES FROM UNITED PARCEL SERVICE  
TO UNITED STATES POSTAL SERVICE WITNESS ALEXANDROVICH  
(UPS/USPS-T5-17 through 26)**

(September 17, 1997)

Pursuant to the Commission's Rules of Practice, United Parcel Service hereby serves the following interrogatories and requests for production of documents directed to United States Postal Service witness Alexandrovich (UPS/USPS-T5-17 through 26).

Respectfully submitted,



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Of Counsel.

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**UPS/USPS-T5-17.** With reference to PCR-21 (Intra-Alaska and Intra-Hawaii Air Transportation Studies), the source for workpaper 14.0.2, please provide the following:

- (a) A discussion on the reliability of the studies and specifically the reliability of all input data and the resulting distribution keys;
- (b) A table of airport codes and airport names;
- (c) A description of how flights with more than two legs are accounted for.

**UPS/USPS-T5-18.** With reference to PCR-21, page 4, IV. B.2. please confirm that EXPFRAME.TXT (cited at page 60) contains data on all intra-Alaska Flights for APs 5 and 6 of FY 1996 and not just those fights with at least one leg originating or destinating at one of the four test facilities. Please explain any nonconfirmation.

**UPS/USPS-T5-19.** With reference to PCR-21, pages 115-117, please confirm the following:

- (a) Subject to the payment frame reorganization described at page 117, a record with an empty FAC\_B field represents a one-leg flight wherein the origination airport is contained in the FAC\_A field and the final destination is contained in the FINLDEST field.
- (b) With reference to (a), the sum of the "WEIGHT" field for all records with the same FAC\_A and FINLDEST fields represents the total weight of mail transported via air transportation between each respective origin-destination pair during APs 5 and 6.
- (c) With reference to (a), the sum of the "AMOUNT" field for all records with the same FAC\_A and FINLDEST fields represents the total

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cost of air transportation costs (linehaul and terminal handling) relating to all mail transported via air between each respective origin-destination pair during APs 5 and 6.

- (d) Subject to the payment frame reorganization described at page 117, if the LEG\_IND variable equals 1, then the MILES variable should be the same for each identical origination-destination pair as reflected by the FAC\_A and FAC\_B variables where the FAC\_B variable is not blank. Please explain any nonconfirmation.
- (e) Subject to the payment frame reorganization described at page 117, if the LEG\_IND variable equals 2, then the miles variable should be the same for each identical origination-destination pair as reflected by the FAC\_B and FINLDEST variables where the FAC\_B variable is not blank. Please explain any nonconfirmation.

**UPS/USPS-T5-20.** With reference to PCR-21, pp. 62 and 115, please confirm the following:

- (a) TOTWT represents total pounds of bypass mail transported via air transportation in APs 5 and 6 FY 96.
- (b) The WEIGHT variable in EXPFRAME.TXT includes all bypass volume (in pounds) transported via air in APs 5 and 6 of FY 96.
- (c) Please explain any nonconfirmation.

**UPS/USPS-T5-21.** Please provide any changes/modifications to the policy on Bypass Mail as described in the statement of policy dated April 1988.

**UPS/USPS-T5-22.** With respect to Bypass Mail, please confirm the following:

- (a) It is the responsibility of the air carrier at the shipment's final destination to deliver the shipment to the addressee.

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- (b) Addressee cannot be required to pick up its own shipment at the runway or postal facility.
- (c) The costs associated with the services described in (a) are captured in terminal handling costs.
- (d) The costs associated with the services described in (a) are not air transportation costs, but in fact, surface transportation costs.
- (e) The services described in (a) would still be required even assuming in a hypothetical world a surface transportation network replaced the Air transportation network.
- (f) The costs of delivering bypass shipments to the addressee in the hypothetical world referred to in (e) would not be significantly different than those actually incurred by the air carrier or its agent.

Please explain any nonconfirmation of the above. In addition, please describe how the air carrier or its agent physically delivers the shipment to the addressee.

**UPS/USPS-T5-23.** With respect to Alaska Air transportation costs, please describe how mail is handled from the Air Mail Facility or Air Mail Center to the processing facility. Please also identify in which accounts those costs are captured.

**UPS/USPS-T5-24.** With respect to Alaska Air transportation costs, please describe what services are captured in terminal handling. How are these services different from those defined as terminal handling in the lower 48 states?

**UPS/USPS-T5-25.** Please refer to Workpaper B-14, W\$ 14.0.6. Please confirm the following:

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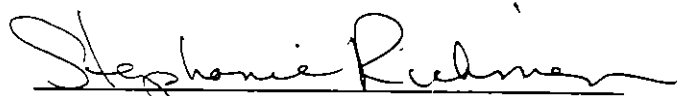
- (a) The top half of page 1 represents north-bound shipments and the lower half of page 1 represents south-bound shipments.
- (b) The relative costs of north-and south-bound shipments approximate the relative volumes of mail moving north-bound and south-bound.

**UPS/USPS-T5-26.** With respect to Alaska non-preferential air transportation costs, assuming a surface transportation network existed sufficient to replace the nonpreferential air movements, please provide the following:

- (a) Identify, on average, how many days per week nonpreferential mail volumes would be moved on purchased highway contracts.
- (b) Confirmation that purchased highway transportation would be based on round-trip contracts.
- (c) The average and maximum number of miles a driver would be allowed to work in a 24-hour period. How would this differ from experience in the lower 48 states?
- (d) The average and maximum number of hours a driver would be allowed to work in a 24-hour period. How would that differ from experience in the lower 48 states?
- (e) Any guidelines, rules of thumb, or practices in estimating the appropriate amount of capacity necessary to meet the necessary mail volumes for a given route in the lower 48 states (e.g., that capacity should be x% higher than the peak volume on a particular segment).
- (f) Confirmation that purchased highway transportation costs in Alaska would be higher than in the lower 48 states on a cost-per-mile basis because of higher prices and living costs in Alaska.
- (g) The relationship between the great circle distance and actual surface distance between origin-destination pairs in the lower 48 states.

**CERTIFICATE OF SERVICE**

I hereby certify that I have this date served the foregoing document in accordance with section 12 of the Commission's Rules of Practice.

  
Stephanie Richman

Dated: September 17, 1997  
Philadelphia, PA